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AEA Comments on BUILD

Additional submitted attachment is included below.



Comments of the Association for Energy Affordability, Inc. (AEA), on the CEC-CPUC Joint Agency Workshop on Building Initiative for Low-Emissions Development (BUILD) Implementation Plan

Docket Number 20-DECARB-01

Submitted: June 29, 2020

Submitted by: Nick Dirr & Nick Young (AEA)

The Association for Energy Affordability, Inc. (AEA) appreciates the opportunity to comment on the Building Initiative for Low-Emissions Development (BUILD) Implementation Plan. AEA is a non-profit dedicated to achieving energy efficiency and decarbonization in new and existing buildings in order to foster and maintain affordable and healthy housing and communities, especially those of low-income. AEA representatives engage in a broad range of educational, technical and construction management activities and services to promote this mission and develop the industry that advances and sustains it.

We offer the following comments by topic area:

Incentive Structure

Simplify incentive calculations

The carbon savings of switching from mixed fuel to all-electric is significant, whereas the further carbon savings of additional efficiency of all-electric is comparatively smaller. As such, we encourage the BUILD team to make the incentive calculations as simple as possible, and based on prototype modeling done by the CEC, rather than custom savings (and incentives) for every project based on individual energy models. For GHG savings and utility bill savings, the CEC can proactively develop a set of models to quantify this information via a few models per CZ per building size or type to claim a deemed amount. Additional prototype models can be created by the CEC as needed based on participation trends (equipment types, building types, etc).

The only modeling a property should need to do is for Title-24 compliance, from which compliance forms are submitted to the AHJ and could also be submitted to the BUILD program as supporting documentation.

We encourage the BUILD team to make every effort to avoid creating extra processes that save a tiny amount of additional carbon, since more complicated processes will ultimately slow uptake of the program and end up saving less carbon.

Do not require prescriptive compliance – allow full performance trade-offs

BUILD should allow all-electric projects to meet code however is most cost-effective for that project, and not require prescriptive compliance for any system, with the exception of any component performance values that are determined by the CEC to be necessary for tenant bill savings to be achieved.

Related Programs

Coordinate w/ affordable housing funders to align their regulations w/ decarbonization

While not ratepayer-funded programs, the numerous affordable housing funders (including CTCAC, CDLAC, and AHSC) in CA have a variety of sustainability and energy-related requirements for funding. The BUILD team should work with these funders to align their regulations and funding criteria with decarbonization so that there is not a conflict between BUILD program qualification and these funding sources.



Eligible Technologies

Multifamily central heat pump water heating, nonresidential equipment, and equipment receiving alternative efficiency ratings

Eligible equipment must include multifamily central heat pump water heating, the single most important / challenging component of going all-electric for affordable multifamily housing. Of all the aspects of designing and building all-electric, heat pump water heating, particularly central, is likely to end up the focus of the BUILD Technical Assistance.

Additionally, any Federally-approved all-electric equipment should be eligible, including equipment types which may not receive residential efficiency ratings (such as HSPF, SEER, or UEF). Examples include highly efficient unitary heat pumps rated in COP and EER (per DOE rules these units do not receive HSPF or SEER), air-to-water HVAC heat pumps, and commercial-size equipment that exceeds the capacity or other thresholds for receiving a residential efficiency rating.

Bill Savings

Only apply bill-savings requirements to systems that affect low-income resident bills

Statue requires that "projects funded with moneys reserved for new low-income residential housing do not result in higher utility bills for building occupants." This bill-savings requirement clearly applies to systems that affect *resident* bills, but not *owner* bills. As such, the following should NOT be subject to bill savings requirements:

- Any market-rate project
- Any project that will be master-metered, or that will be permanent supportive housing or other project types in which the owner will pay all resident utility bills, even if dwelling units are directly metered.
- Any central system for which the owner pays the utility bill.

Simplify bill-savings qualification process

We strongly support the approach of having CEC staff evaluate menus of decarbonization measure packages to show bill and carbon savings. Putting this burden on each individual project would create more paperwork for participants, reduce participation, and save less carbon. There could be two pathways to demonstrate bill savings:

- <u>Simple Bill Savings</u> CEC BUILD team can model combinations of systems and building types in different climate zones and in different utility jurisdictions to determine standard criteria for bill savings for projects. Project teams would be able to quickly look up specific minimum requirements for their climate zone, utility, rate schedule, and building type.
- <u>Custom Bill Savings</u> If a project does not meet the minimum criteria for bill savings for its climate zone, utility, and building type, the project team could choose to use a custom bill savings calculation (such as the CUAC, or other calculation deemed acceptable by the CEC) to show bill savings and eligibility for BUILD funds.

Technical Assistance

Simplify program requirements to focus Technical Assistance

With a simplified and streamlined program, the Technical Assistance provider can focus on high-impact hands-on work directly with design and construction teams to help them work through the design and construction challenges to electrification. The more complex the program requirements, the more the TAP will have to spend time helping participants just understand what they have to do to qualify, rather than what they should do to design and build a cost-effective all-electric project.



Outreach Plan

Technical Assistance Provider should conduct outreach

With well-established connections to affordable developers, the Technical Assistance Provider should partner with the CEC to develop and conduct outreach, rather than just the CEC.

BUILD Program Metrics

Track resident impacts

Metrics should capture resident impact, including number of units, or number of residents (based on occupants per 1BR/2BR, etc.) impacted by each measure.

Track developer, design team, and contractor impacts

Achieving all-electric market transformation of affordable housing will mean helping individual developers, architects, and MEP engineers, as well as T24 consultants, HERS raters, and contractors, work through the ins and outs of all-electric construction. The program should track which firms have had projects participate, and strive to bring as many different/new development, design, and construction firms through as possible, to broaden program impacts.

The Co-signers appreciate the opportunity to provide comments on the Building Initiative for Low-Emissions Development (BUILD) Implementation Plan.

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